

Executive Summary – Enforcement Matter – Case No. 51113

Oxy Vinyls, LP

RN100224674

Docket No. 2015-1241-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Geon-Oxy Vinyl, 2400 Miller Cut Off Road, La Porte, Harris County

Type of Operation:

Chemical manufacturing plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: January 22, 2016

Comments Received: No

Penalty Information

Total Penalty Assessed: \$13,680

Amount Deferred for Expedited Settlement: \$2,736

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$5,472

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project ("SEP") Conditional Offset: \$5,472

Name of SEP: Houston-Galveston Area Council-AERCO (Third-Party Pre-Approved)

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: September 2002 and April 2014

Executive Summary – Enforcement Matter – Case No. 51113
Oxy Vinyls, LP
RN100224674
Docket No. 2015-1241-AIR-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: March 16, 2015 through May 29, 2015 and May 20, 2015 through June 2, 2015

Date(s) of NOE(s): July 20, 2015 and July 23, 2015

Violation Information

1. Failed to conduct stack testing by the required deadline. Specifically, the Respondent failed to conduct the initial compliance testing on Cracking Furnace 105, Emission Point Number ("EPN") IND105, and Cracking Furnace 106, EPN IND106, by the March 31, 2007 deadline. The initial compliance tests for EPNs IND105 and IND106 were not conducted until December 12, 2011 through December 13, 2011 [30 TEX. ADMIN. CODE §§ 117.335(a)(4), 117.9020(2)(C)(i), and 122.143(4), Federal Operating Permit ("FOP") No. 01324, Special Terms and Conditions No. 29.A.(i)(1), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to comply with the maximum allowable emissions rate. Specifically, the Respondent exceeded the nitrogen oxides ("NOx") maximum hourly permitted rate of 9.18 pounds per hour ("lbs/hr") for Incinerator B Scrubber, EPN IND101B, by an average of 1.04 lbs/hr for three hours on January 20, 2013 and an average of 0.39 lb/hr for five hours on November 14, 2013, resulting in the unauthorized release of approximately 5.07 pounds of NOx [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), New Source Review Permit No. 3855B, Special Conditions No. 1, FOP No. 01324, Special Terms and Conditions No. 24, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent has implemented the following corrective measures:

a. By December 13, 2011, conducted stack testing for Cracking Furnace 105, EPN IND105, and Cracking Furnace 106, EPN IND106; and

b. By May 28, 2015, converted from ammonia to monoethanolamine for the control of pH in the blend tanks in order to comply with the hourly maximum allowable emissions rate at Incinerator B Scrubber, EPN IND101B.

Technical Requirements:

The Order will require the Respondent to implement and complete a SEP (see SEP Attachment A).

Executive Summary – Enforcement Matter – Case No. 51113

Oxy Vinyls, LP

RN100224674

Docket No. 2015-1241-AIR-E

Litigation Information

Date Petition(s) Filed: N/A

Date Answer(s) Filed: N/A

SOAH Referral Date: N/A

Hearing Date(s): N/A

Settlement Date: N/A

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Raime Hayes-Falero, Enforcement Division, Enforcement Team 5, MC R-12, (713) 767-3567; Melissa Cordell, Enforcement Division, MC 219, (512) 239-2483

TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565

Respondent: Wade Alleman, Senior Vice President of Manufacturing, Engineering, & Technology, Oxy Vinyls, LP, 2400 Miller Cut Off Road, La Porte, Texas 77571

Brent Webber, Plant Manager, Oxy Vinyls, LP, 2400 Miller Cut Off Road, La Porte, Texas 77571

Respondent's Attorney: N/A

Attachment A
Docket Number: 2015-1241-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Oxy Vinyls, LP
Penalty Amount:	Ten Thousand Nine Hundred Forty-Four Dollars (\$10,944)
SEP Offset Amount:	Five Thousand Four Hundred Seventy-Two Dollars (\$5,472)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Houston-Galveston Area Council-AERCO
Project Name:	<i>Clean Vehicles Partnership Project</i>
Location of SEP: Angelina, Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Hardin, Harris, Houston, Jasper, Jefferson, Liberty, Matagorda, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Trinity, Tyler, Walker, Waller, and Wharton Counties	

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Houston-Galveston Area Council-AERCO** for the *Clean Vehicles Partnership Project*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the SEP Offset Amount will be used to to replace old, higher emission buses that do not meet 2010 Environmental Protection Agency ("EPA") emissions standards ("Old Buses") with new, lower emission buses that meet the most recent EPA emissions standards ("New Buses") or to retrofit or convert Old Buses with emissions reducing equipment. The Third-Party Administrator shall allocate the SEP Offset Amount to public entities such as school districts, local governments, and public transit authorities ("SEP Administrators") that apply for replacement, retrofit, or conversion of buses.

The SEP Offset Amount may also be used for retrofit or conversion technology that brings an Old Bus up to current EPA emissions standards. New Buses may be alternative-fueled. The SEP Offset Amount may be used for up to 100% of the

replacement, conversion, or retrofit cost. The SEP Offset Amount will be used only for purchase of New Buses or conversion or retrofit equipment and contract labor for installation of equipment. The SEP Offset Amount will not be used for financing such a purchase through a lease-purchase or similar agreement.

Retrofitting means reducing exhaust emissions to current standards by installing devices that are verified or certified by the EPA or the California Air Resources Board as proven retrofit technologies. Converting means replacing an engine system with an alternative fuel engine system to bring the Old Bus within the current EPA emissions standards. Buses to be replaced, retrofitted, or converted must be in regular use (driven at least five hundred miles per year for at least the past two years) by the SEP Administrator and must not already be scheduled for replacement in the following twenty-four months. All replaced buses must be fully decommissioned. The Third-Party Administrator shall provide proof of decommissioning to TCEQ for each replaced vehicle by submitting a copy of the TCEQ SEP Vehicle Replacement Disposition Form. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including, but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that the Respondent has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions that contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. For example, by replacing a 1989 diesel bus with a 2010 ultra-low emission model, passengers' exposure to nitrogen oxides may be reduced by 98 percent; volatile organic compounds by 93 percent; carbon dioxide by 83 percent; and particulate matter by 99 percent. In addition, by encouraging less bus idling, this SEP contributes to public awareness of air pollution and air quality.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Houston-Galveston Area Council-AERCO SEP** and shall mail the contribution with a copy of the Agreed Order to the following address.

Houston-Galveston Area Council-AERCO
P.O. Box 22777
Houston, Texas 77227-2777

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to the following address.

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality"; and shall mail it to the following address.

Oxy Vinyls, LP
Agreed Order - Attachment A

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the Project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

DATES	Assigned	27-Jul-2015	Screening	13-Aug-2015	EPA Due	
	PCW	24-Aug-2015				

RESPONDENT/FACILITY INFORMATION

Respondent	Oxy Vinyls, LP		
Reg. Ent. Ref. No.	RN100224674		
Facility/Site Region	12-Houston	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	51113	No. of Violations	1
Docket No.	2015-1241-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Raime Hayes-Falero
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$2,000
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History	69.0% Enhancement	Subtotals 2, 3, & 7	\$1,380
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Notes: Enhancement for two NOVs with same/similar violations and three orders with denial of liability. Reduction for one Notice of Intent to conduct an audit.

Culpability	No	0.0% Enhancement	Subtotal 4	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	-\$500
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
Total EB Amounts	\$4,207		
Estimated Cost of Compliance	\$17,876		

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$2,880
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$2,880
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$2,880
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DEFERRAL	20.0% Reduction	Adjustment	-\$576
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$2,304
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Screening Date 13-Aug-2015

Docket No. 2015-1241-AIR-E

PCW

Respondent Oxy Vinyls, LP

Policy Revision 2 (September 2002)

Case ID No. 51113

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100224674

Media [Statute] Air

Enf. Coordinator Raime Hayes-Falero

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	2	10%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	3	60%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 69%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance
History
Notes

Enhancement for two NOVs with same/similar violations and three orders with denial of liability.
Reduction for one Notice of Intent to conduct an audit.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 69%

Screening Date 13-Aug-2015

Docket No. 2015-1241-AIR-E

PCW

Respondent Oxy Vinyls, LP

Policy Revision 2 (September 2002)

Case ID No. 51113

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100224674

Media [Statute] Air

Enf. Coordinator Raime Hayes-Falero

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 117.335(a)(4), 117.9020(2)(C)(i), and 122.143(4),
Federal Operating Permit No. O1324, Special Terms and Conditions No. 29.A.(i)(1),
and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to conduct stack testing by the required deadline. Specifically, the Respondent failed to conduct the initial compliance testing on Cracking Furnace 105, Emission Point Number ("EPN") IND105, and Cracking Furnace 106, EPN IND106, by the March 31, 2007 deadline. The initial compliance tests for EPNs IND105 and IND106 were not conducted until December 12, 2011 through December 13, 2011.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			x

Percent 10%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment will or could be exposed to insignificant amounts of pollutants that would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 2

1776 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$2,000

Two single events are recommended: one for each EPN.

Good Faith Efforts to Comply

25.0%

Reduction \$500

	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes The Respondent completed corrective action on December 13, 2011, before the July 20, 2015 Notice of Enforcement ("NOE").

Violation Subtotal \$1,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$4,207

Violation Final Penalty Total \$2,880

This violation Final Assessed Penalty (adjusted for limits) \$2,880

Economic Benefit Worksheet

Respondent Oxy Vinyls, LP
Case ID No. 51113
Reg. Ent. Reference No. RN100224674
Media Air
Violation No. 1

Percent Interest 5.0
Years of Depreciation 15

Item Cost Date Required Final Date Yrs Interest Saved Onetime Costs EB Amount
Item Description No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$17,876	31-Mar-2007	13-Dec-2011	4.71	\$4,207	n/a	\$4,207

Notes for DELAYED costs

Estimated cost to conduct stack testing for Cracking Furnace 105, EPN IND105, and Cracking Furnace 106, EPN IND106. The Date Required is the date the stack tests were due and the Final Date is the date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$17,876 TOTAL \$4,207



Policy Revision 4 (April 2014)

Penalty Calculation Worksheet (PCW)

PCW Revision March 26, 2014

TCEQ

DATES Assigned 27-Jul-2015
PCW 17-Sep-2015 Screening 2-Sep-2015 EPA Due

RESPONDENT/FACILITY INFORMATION

Respondent Oxy Vinyls, LP
Reg. Ent. Ref. No. RN100224674
Facility/Site Region 12-Houston Major/Minor Source Major

CASE INFORMATION

Enf./Case ID No. 51113
Docket No. 2015-1241-AIR-E
Media Program(s) Air
Multi-Media
No. of Violations 1
Order Type 1660
Government/Non-Profit No
Enf. Coordinator Raime Hayes-Falero
EC's Team Enforcement Team 5
Admin. Penalty \$ Limit Minimum \$0 Maximum \$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)

Subtotal 1 \$7,500

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History 69.0% Adjustment Subtotals 2, 3, & 7 \$5,175

Notes Enhancement for two NOVs with same/similar violations and three orders with denial of liability. Reduction for one Notice of Intent to conduct an audit.

Culpability No 0.0% Enhancement Subtotal 4 \$0

Notes The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments Subtotal 5 -\$1,875

Economic Benefit
Total EB Amounts \$7,106
Estimated Cost of Compliance \$60,459
0.0% Enhancement*
*Capped at the Total EB \$ Amount
Subtotal 6 \$0

SUM OF SUBTOTALS 1-7

Final Subtotal \$10,800

OTHER FACTORS AS JUSTICE MAY REQUIRE

Reduces or enhances the Final Subtotal by the indicated percentage.

0.0%

Adjustment \$0

Notes

Final Penalty Amount \$10,800

STATUTORY LIMIT ADJUSTMENT

Final Assessed Penalty \$10,800

DEFERRAL

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

20.0%

Reduction

Adjustment -\$2,160

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY

\$8,640

Screening Date 2-Sep-2015

Docket No. 2015-1241-AIR-E

PCW

Respondent Oxy Vinyls, LP

Policy Revision 4 (April 2014)

Case ID No. 51113

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100224674

Media [Statute] Air

Enf. Coordinator Raime Hayes-Falero

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	2	10%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	3	60%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 69%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance
History
NotesEnhancement for two NOVs with same/similar violations and three orders with denial of liability.
Reduction for one Notice of Intent to conduct an audit.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 69%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 69%

Screening Date 2-Sep-2015

Docket No. 2015-1241-AIR-E

PCW

Respondent Oxy Vinyls, LP

Policy Revision 4 (April 2014)

Case ID No. 51113

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100224674

Media [Statute] Air

Enf. Coordinator Raime Hayes-Falero

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 116.115(b)(2)(F) and (c) and 122.143(4), New Source Review Permit No. 3855B, Special Conditions No. 1, Federal Operating Permit No. O1324, Special Terms and Conditions No. 24, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to comply with the maximum allowable emissions rate. Specifically, the Respondent exceeded the nitrogen oxides ("NOx") maximum hourly permitted rate of 9.18 pounds per hour ("lbs/hr") for Incinerator B Scrubber, Emission Point Number ("EPN") IND101B, by an average of 1.04 lbs/hr for three hours on January 20, 2013 and an average of 0.39 lb/hr for five hours on November 14, 2013, resulting in the unauthorized release of approximately 5.07 pounds of NOx.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 2

2 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	X

Violation Base Penalty \$7,500

Two single events are recommended for each instance of non-compliance.

Good Faith Efforts to Comply

25.0%

Reduction \$1,875

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary	X	
N/A		(mark with x)

Notes

The Respondent completed corrective action on May 28, 2015, before the July 21, 2015 NOE.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$7,106

Violation Final Penalty Total \$10,800

This violation Final Assessed Penalty (adjusted for limits) \$10,800

Economic Benefit Worksheet

Respondent Oxy Vinyls, LP
Case ID No. 51113
Reg. Ent. Reference No. RN100224674
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$60,459	20-Jan-2013	28-May-2015	2.35	\$7,106	n/a	\$7,106

Notes for DELAYED costs

Estimated cost to convert from ammonia to monoethanolamine for the control of pH in the blend tanks in order to comply with the hourly maximum allowable emissions rate at Incinerator B Scrubber, EPN IND101B.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$60,459

TOTAL

\$7,106



Compliance History Report

PUBLISHED Compliance History Report for CN600129126, RN100224674, Rating Year 2014 which includes Compliance History (CH) components from September 1, 2009, through August 31, 2014.

Customer, Respondent, or Owner/Operator: CN600129126, Oxy Vinyls, LP

Classification: SATISFACTORY

Rating: 2.55

Regulated Entity: RN100224674, GEON-OXY VINYL

Classification: SATISFACTORY

Rating: 6.41

Complexity Points: 24

Repeat Violator: NO

CH Group: 05 - Chemical Manufacturing

Location: 2400 MILLER CUT OFF RD LA PORTE, TX 77571-9759, HARRIS COUNTY

TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER HG0193B

AIR OPERATING PERMITS PERMIT 1324

WASTEWATER PERMIT WQ0002097000

WASTEWATER EPA ID TX0070416

PETROLEUM STORAGE TANK REGISTRATION REGISTRATION 12124

AIR NEW SOURCE PERMITS PERMIT 3855B

AIR NEW SOURCE PERMITS REGISTRATION 31148

AIR NEW SOURCE PERMITS REGISTRATION 40916

AIR NEW SOURCE PERMITS REGISTRATION 41432

AIR NEW SOURCE PERMITS ACCOUNT NUMBER HG0193B

AIR NEW SOURCE PERMITS REGISTRATION 52249

AIR NEW SOURCE PERMITS AFS NUM 4820100320

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX876

AIR NEW SOURCE PERMITS REGISTRATION 92878

AIR NEW SOURCE PERMITS REGISTRATION 94363

AIR NEW SOURCE PERMITS REGISTRATION 109765

AIR NEW SOURCE PERMITS REGISTRATION 127138

AIR NEW SOURCE PERMITS REGISTRATION 112898

AIR NEW SOURCE PERMITS REGISTRATION 120953

AIR NEW SOURCE PERMITS REGISTRATION 114434

AIR NEW SOURCE PERMITS REGISTRATION 107553

AIR NEW SOURCE PERMITS REGISTRATION 107801

AIR NEW SOURCE PERMITS REGISTRATION 117716

AIR NEW SOURCE PERMITS REGISTRATION 123240

INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXD070133319

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 31077

PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1011153

IHW CORRECTIVE ACTION SOLID WASTE REGISTRATION # (SWR) 31077

AIR EMISSIONS INVENTORY ACCOUNT NUMBER HG0193B

POLLUTION PREVENTION PLANNING ID NUMBER P00718

Compliance History Period: September 01, 2009 to August 31, 2014

Rating Year: 2014

Rating Date: 09/01/2014

Date Compliance History Report Prepared: August 13, 2015

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: August 13, 2010 to August 13, 2015

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Raime Hayes-Falero

Phone: (713) 767-3567

Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO
- 3) If **YES** for #2, who is the current owner/operator? N/A
- 4) If **YES** for #2, who was/were the prior owner(s)/operator(s)? N/A
- 5) If **YES**, when did the change(s) in owner or operator occur? N/A

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

- 1 Effective Date: 06/07/2012 ADMINORDER 2011-1928-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)

30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: No.3855B, Special Condition #1 PERMIT

Special Conditions No. 1 PERMIT

Special Terms and Cond. Nos. 1 and 21 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, 467 pounds of vinyl chloride monomer were released from a piping tee in the Cracking and Purification Unit during an avoidable emission event (Incident No. 156401) that began on July 3, 2011 and lasted ten minutes. The release occurred when a rupture disk failed on a 2" Vent Chiller Pumpout Line. Although the disk failed as designed, due to hydraulic shock, the piping tee was missing a plug. Since the emission event was avoidable by bet

2 Effective Date: 08/05/2012 ADMINORDER 2011-2352-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC-1 PERMIT

Special Terms & Conditions No. 21 OP

Description: Failed to prevent unauthorized emissions.

3 Effective Date: 06/03/2013 ADMINORDER 2012-2179-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC 1 OP

Special Terms & Conditions No. 24 OP

Description: Failure to prevent unauthorized emissions of Vinyl Chloride during an emissions event.A12.i.(1)

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Special Terms and Conditions No. 24 OP

Description: Failure to prevent unauthorized emissions due to failure of the seal flush tubing. Sub-category: A12(i)(1).

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: General Terms and Conditions OP

Special Terms and Conditions No. 2F OP

Description: Failure to include the permit authorization on the final report for Incident Nos 171901 and 172423. Violation Track numbers 478994 and 477818 were combined into one violation and 477818 was deleted.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

Item 1	August 20, 2010	(867825)
Item 2	August 25, 2010	(830073)
Item 3	September 01, 2010	(827164)
Item 4	September 03, 2010	(830348)
Item 5	October 19, 2010	(874781)
Item 6	November 23, 2010	(882370)
Item 7	December 22, 2010	(888823)

Published Compliance History Report for CN600129126, RN100224674, Rating Year 2014 which includes Compliance History (CH) components from August 13, 2010, through August 13, 2015.

Item 8	January 06, 2011	(897183)
Item 9	January 20, 2011	(903086)
Item 10	February 18, 2011	(909958)
Item 11	March 21, 2011	(917200)
Item 12	April 20, 2011	(927633)
Item 13	May 16, 2011	(938897)
Item 14	June 10, 2011	(912348)
Item 15	June 13, 2011	(946271)
Item 16	July 20, 2011	(953542)
Item 17	August 18, 2011	(960170)
Item 18	September 19, 2011	(966223)
Item 19	October 21, 2011	(972242)
Item 20	December 19, 2011	(985212)
Item 21	January 19, 2012	(991485)
Item 22	February 17, 2012	(998835)
Item 23	March 08, 2012	(976090)
Item 24	March 12, 2012	(1004365)
Item 25	March 28, 2012	(983535)
Item 26	April 11, 2012	(983123)
Item 27	April 20, 2012	(1010928)
Item 28	May 02, 2012	(1002196)
Item 29	May 16, 2012	(1017299)
Item 30	June 12, 2012	(1025094)
Item 31	August 17, 2012	(1038860)
Item 32	August 23, 2012	(1028212)
Item 33	September 24, 2012	(1047760)
Item 34	October 17, 2012	(1065560)
Item 35	October 26, 2012	(1040967)
Item 36	November 16, 2012	(1065561)
Item 37	December 12, 2012	(1065562)
Item 38	January 18, 2013	(1080909)
Item 39	January 22, 2013	(1154119)
Item 40	February 15, 2013	(1080908)
Item 41	March 11, 2013	(1090222)
Item 42	April 19, 2013	(1096599)
Item 43	May 15, 2013	(1107557)
Item 44	June 17, 2013	(1111203)
Item 45	July 15, 2013	(1118098)
Item 46	August 22, 2013	(1125894)
Item 47	September 16, 2013	(1130439)
Item 48	October 18, 2013	(1136213)
Item 49	November 04, 2013	(1114921)
Item 50	November 19, 2013	(1141587)
Item 51	December 16, 2013	(1148047)
Item 52	February 21, 2014	(1161442)
Item 53	March 13, 2014	(1168085)
Item 54	April 03, 2014	(1152844)
Item 55	April 15, 2014	(1175241)
Item 56	May 14, 2014	(1181432)
Item 57	June 19, 2014	(1188331)
Item 58	August 18, 2014	(1200015)
Item 59	September 15, 2014	(1116307)
Item 60	September 22, 2014	(1206703)
Item 61	October 22, 2014	(1213113)
Item 62	November 24, 2014	(1193063)
Item 63	November 25, 2014	(1219370)
Item 64	December 15, 2014	(1225156)
Item 65	January 23, 2015	(1205427)
Item 66	February 12, 2015	(1243167)
Item 67	March 16, 2015	(1249530)

Item 68	April 17, 2015	(1256408)
Item 69	May 15, 2015	(1263147)
Item 70	June 17, 2015	(1270291)
Item 71	June 30, 2015	(1247134)

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

1	Date: 11/19/2014 (1197833)	
	Self Report? NO	Classification: Moderate
	Citation: 30 TAC Chapter 116, SubChapter B 116.115(c) 5C THSC Chapter 382 382.085(b) NSR 3855B, SC1 PERMIT	
	Description: Failure to meet the demonstration criteria for an affirmative defense for unauthorized emissions during an emissions event. (Category B13)	
2	Date: 06/26/2015 (1193391)	CN600129126
	Self Report? NO	Classification: Minor
	Citation: 30 TAC Chapter 115, SubChapter D 115.352(4) 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1) 5C THSC Chapter 382 382.085(b) Special Condition 29E PERMIT ST&C 1A and 24 OP	
	Description: Failure to prevent open ended lines	
	Self Report? NO	Classification: Minor
	Citation: 30 TAC Chapter 117, SubChapter B 117.310(f) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) Special terms and Conditions (ST&C) 1A OP	
	Description: Failure to prevent operation of any stationary diesel or dual-fuel engine for testing or maintenance between the hours of 6:00 a.m. and noon.	

F. Environmental audits:

Notice of Intent Date: 10/01/2012 (1037179)
No DOV Associated

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
OXY VINYLs, LP
RN100224674

§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2015-1241-AIR-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Oxy Vinyls, LP ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a chemical manufacturing plant located at 2400 Miller Cut Off Road in La Porte, Harris County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notices of the violations alleged in Section II ("Allegations") on or about July 25, 2015 and July 28, 2015.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Thirteen Thousand Six Hundred Eighty Dollars (\$13,680) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Five Thousand Four Hundred Seventy-Two Dollars (\$5,472) of the administrative penalty and Two Thousand Seven

Hundred Thirty-Six Dollars (\$2,736) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty. Five Thousand Four Hundred Seventy-Two Dollars (\$5,472) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
 - a. By December 13, 2011, conducted stack testing for Cracking Furnace 105, Emission Point Number ("EPN") IND105, and Cracking Furnace 106, EPN IND106; and
 - b. By May 28, 2015, converted from ammonia to monoethanolamine for the control of pH in the blend tanks in order to comply with the hourly maximum allowable emissions rate at Incinerator B Scrubber, EPN IND101B.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have:

1. Failed to conduct stack testing by the required deadline, in violation of 30 TEX. ADMIN. CODE §§ 117.335(a)(4), 117.9020(2)(C)(i), and 122.143(4), Federal Operating Permit ("FOP") No. 01324, Special Terms and Conditions No. 29.A.(i)(1), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted from March 16, 2015 through May 29, 2015. Specifically, the Respondent failed to conduct the initial compliance testing on Cracking Furnace 105, EPN IND105, and Cracking Furnace 106, EPN IND106, by the March 31, 2007 deadline. The initial compliance tests for EPNs IND105 and IND106 were not conducted until December 12, 2011 through December 13, 2011.
2. Failed to comply with the maximum allowable emissions rate, in violation of 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), New Source Review Permit No. 3855B, Special Conditions No. 1, FOP No. 01324, Special Terms and Conditions No. 24, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted from May 20, 2015 through June 2, 2015. Specifically, the Respondent exceeded the nitrogen oxides ("NOx") maximum hourly permitted rate of 9.18 pounds per hour ("lbs/hr") for Incinerator B Scrubber, EPN IND101B, by an average of 1.04 lbs/hr for three hours on January 20, 2013 and an average of 0.39 lb/hr for five hours on November 14, 2013, resulting in the unauthorized release of approximately 5.07 pounds of NOx.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Oxy Vinyls, LP, Docket No. 2015-1241-AIR-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088
2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Five Thousand Four Hundred Seventy-Two Dollars (\$5,472) of the assessed administrative penalty shall be offset with the condition that the SEP defined in Attachment A, incorporated herein by

- reference, is implemented by the Respondent. The Respondent's obligation to pay the conditionally offset portion of the assessed administrative penalty shall be discharged upon final completion of all provisions of the SEP agreement.
3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
 4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
 5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
 6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
 7. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
 8. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date


For the Executive Director

4/8/16
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.


Signature

11/20/15
Date

WADE ALLEN
Name (Printed or typed)
Authorized Representative of
Oxy Vinyls, LP

SR VP MANUFACTURING,
Title ENGINEERING & TECHNOLOGY

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section IV, Paragraph 1 of this Agreed Order.

Attachment A
Docket Number: 2015-1241-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Oxy Vinyls, LP
Penalty Amount:	Ten Thousand Nine Hundred Forty-Four Dollars (\$10,944)
SEP Offset Amount:	Five Thousand Four Hundred Seventy-Two Dollars (\$5,472)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Houston-Galveston Area Council-AERCO
Project Name:	<i>Clean Vehicles Partnership Project</i>
Location of SEP: Angelina, Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Hardin, Harris, Houston, Jasper, Jefferson, Liberty, Matagorda, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Trinity, Tyler, Walker, Waller, and Wharton Counties	

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Houston-Galveston Area Council-AERCO** for the *Clean Vehicles Partnership Project*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the SEP Offset Amount will be used to to replace old, higher emission buses that do not meet 2010 Environmental Protection Agency ("EPA") emissions standards ("Old Buses") with new, lower emission buses that meet the most recent EPA emissions standards ("New Buses") or to retrofit or convert Old Buses with emissions reducing equipment. The Third-Party Administrator shall allocate the SEP Offset Amount to public entities such as school districts, local governments, and public transit authorities ("SEP Administrators") that apply for replacement, retrofit, or conversion of buses.

The SEP Offset Amount may also be used for retrofit or conversion technology that brings an Old Bus up to current EPA emissions standards. New Buses may be alternative-fueled. The SEP Offset Amount may be used for up to 100% of the

Oxy Vinyls, LP
Agreed Order - Attachment A

replacement, conversion, or retrofit cost. The SEP Offset Amount will be used only for purchase of New Buses or conversion or retrofit equipment and contract labor for installation of equipment. The SEP Offset Amount will not be used for financing such a purchase through a lease-purchase or similar agreement.

Retrofitting means reducing exhaust emissions to current standards by installing devices that are verified or certified by the EPA or the California Air Resources Board as proven retrofit technologies. Converting means replacing an engine system with an alternative fuel engine system to bring the Old Bus within the current EPA emissions standards. Buses to be replaced, retrofitted, or converted must be in regular use (driven at least five hundred miles per year for at least the past two years) by the SEP Administrator and must not already be scheduled for replacement in the following twenty-four months. All replaced buses must be fully decommissioned. The Third-Party Administrator shall provide proof of decommissioning to TCEQ for each replaced vehicle by submitting a copy of the TCEQ SEP Vehicle Replacement Disposition Form. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including, but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that the Respondent has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions that contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. For example, by replacing a 1989 diesel bus with a 2010 ultra-low emission model, passengers' exposure to nitrogen oxides may be reduced by 98 percent; volatile organic compounds by 93 percent; carbon dioxide by 83 percent; and particulate matter by 99 percent. In addition, by encouraging less bus idling, this SEP contributes to public awareness of air pollution and air quality.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

Oxy Vinyls, LP
Agreed Order - Attachment A

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Houston-Galveston Area Council-AERCO SEP** and shall mail the contribution with a copy of the Agreed Order to the following address.

Houston-Galveston Area Council-AERCO
P.O. Box 22777
Houston, Texas 77227-2777

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to the following address.

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality"; and shall mail it to the following address.

Oxy Vinyls, LP
Agreed Order - Attachment A

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the Project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.